(*iii*) income does not enure to the benefit of private persons if such persons are the intended beneficiaries of a governmental programme, and the programme activities are performed for the general public with respect to the common welfare or relate to the administration of some phase of government;

(*iv*) irrespective of anything contained in item (*iii*) above, income is considered to enure to the benefit of private persons if the income is derived from the use of a governmental entity to conduct a commercial business, such as a commercial banking business, that provides financial services to private persons;

(*i*) "international organisation" means any international organisation or wholly owned agency or instrumentality thereof, including any inter-governmental organisation or a supranational organisation—

(*i*) that is comprised primarily of governments;

(*ii*) that has in effect a headquarters or substantially similar agreement with India; and

(*iii*) the income of which does not enure to the benefit of private persons;

(*j*) "Central Bank" means an institution that is, by law or government sanction, the principal authority, other than the government of the country or territory itself, issuing instruments intended to circulate as currency and may include an instrumentality that is separate from the government of the country or territory, whether or not owned, in whole or in part, by the country or territory;

(*k*) "financial asset" includes—

(*i*) a security (for example, a share of stock in a corporation, partnership or beneficial ownership interest in a widely held or publicly traded partnership or trust, note, bond, debenture, or other evidence of indebtedness), partnership interest, commodity, swap (for example, interest rate swaps, currency swaps, basis swaps, interest rate caps, interest rate floors, commodity swaps, equity swaps, equity index swaps, and similar agreements), insurance contract or annuity contract; or

(*ii*) any interest (including a futures or forward contract or option) in a security, relevant crypto-asset, partnership interest, commodity, swap, insurance contract, or annuity contract,

but, it does not include a non-debt and direct interest in an immovable property;

(*l*) "equity interest" means—

(*i*) in the case of a partnership that is a financial institution, either a capital or profits interest in the partnership;

(*ii*) in the case of a trust that is a financial institution, where any person is treated as a settlor or beneficiary of all or a portion of the trust, or any other natural person exercising ultimate effective control over the trust, such person shall be considered to be holding equity interest in such trust;

(*m*) for the purposes of sub-clause (*l*)(*ii*), a reportable person shall be treated as being a beneficiary of a trust, if such reportable person has the right to receive directly or indirectly a mandatory distribution, or may receive directly or indirectly, a discretionary distribution from the trust;

(*n*) "insurance contract" means a contract (other than an annuity contract) under which the issuer agrees to pay an amount upon the occurrence of a specified contingency involving mortality, morbidity, accident, liability, or property risk;

(*o*) "annuity contract" means a contract under which the issuer agrees to make payments for a period of time determined, in whole or in part, by reference to the life expectancy of one or more individuals and it also includes a contract that is considered to be an annuity contract in accordance with the law, regulation, or practice of the country or territory in which the contract was issued, and under which the issuer agrees to make payments for a term of years;

(*p*) "cash value insurance contract" means an insurance contract (other than an indemnity reinsurance contract between two insurance companies) that has a cash value;

(*q*) "cash value" means the greater of—

(*A*) the amount that the policyholder is entitled to receive upon surrender or termination of the contract (determined without reduction for any surrender charge or policy loan); and

(*B*) the amount the policyholder can borrow under or with regard to the contract;

but does not include an amount payable under an insurance contract in the following circumstances:—

(*I*) solely by reason of the death of an individual insured under a life insurance contract; or

(*II*) as a personal injury or sickness benefit or other benefit providing indemnification of an economic loss incurred upon the occurrence of the event insured against; or

(*III*) as a refund of a previously paid premium (less cost of insurance charges whether or not actually imposed) under an insurance contract (other than an investment-linked life insurance or annuity contract) due to cancellation or termination of the contract, decrease in risk exposure during the effective period of the contract, or arising from the correction of a posting or similar error with regard to the premium for the contract; or

(*IV*) as a policyholder dividend (other than a termination dividend) provided that the dividend relates to an insurance contract under which the only benefits payable are described in sub-item (*II*) above; or

(*V*) as a return of an advance premium or premium deposit for an insurance contract for which the premium is payable at least annually if the amount of the advance premium or premium deposit does not exceed the next annual premium that will be payable under the contract;

(*7*) "partner jurisdiction" means any country or territory outside India that has put in place equivalent legal requirements and that is specified by the Central Government, by notification;

(*8*) "related entity" means an entity which—

(*a*) either controls the other entity; or

(*b*) the two entities are under common control,

and for this purpose, control includes direct or indirect ownership of more than 50% of the vote and value in an entity;

(*9*) "relevant crypto-asset" means any crypto-asset—

(*i*) that is not a Central Bank Digital Currency; or

(*ii*) that is not a specified electronic money product; or

(*iii*) for which the reporting crypto-asset service provider has adequately determined that it cannot be used for payment or investment purposes;

(*10*) for the purposes of clause (*9*),—

(*a*) "crypto-asset" shall have the meaning assigned to it in section 2(*111*)(*d*);

(*b*) "digital representation of value" means that a crypto-asset shall represent a right to value, and that the ownership of, or right to, such value can be traded or transferred to other individuals or entities in a digital manner;

(*c*) "Central Bank Digital Currency" means any digital fiat currency issued by a Central Bank;

(*d*) "specified electronic money product" means any crypto-asset that is—

(*i*) a digital representation of a single fiat currency;

(*ii*) issued on receipt of funds for the purpose of making payment transactions;

(*iii*) represented by a claim on the issuer denominated in the same fiat currency;

(*iv*) accepted in payment by a natural or legal person other than the issuer; and

(*v*) redeemable at any time and at par value for the same fiat currency upon request of the holder of the product, by virtue of regulatory requirements to which the issuer is subject to,

but does not include a product created for the sole purpose of facilitating the transfer of funds from a customer to another person pursuant to instructions of the customer;

(*e*) for the purposes of sub-clause (*d*), a product is not created for the sole purpose of facilitating the transfer of funds if, in the ordinary course of business of the transferring entity,—

(*i*) the funds connected with such product are held longer than sixty days after receipt of instructions to facilitate the transfer; or

(*ii*) if no instructions are received, the funds connected with such product are held longer than sixty days after receipt of the funds;

(*11*) "relevant transaction" means any—

(*a*) exchange transaction; and

(*b*) transfer of relevant crypto-assets;

(*12*) for the purposes of clause (*11*),—

(*a*) "exchange transaction" means any—

(*i*) exchange between relevant crypto-assets and fiat currencies; and

(*ii*) exchange between one or more forms of relevant crypto-assets;

(*b*) "reportable retail payment transaction" means a transfer of relevant crypto-assets in consideration of goods or services for a value exceeding fifty thousand USD;

(*c*) "transfer" means a transaction that moves a relevant crypto-asset either from or to the crypto-asset address or account of one crypto-asset user, other than one maintained by the reporting crypto-asset service provider on behalf of the same crypto-asset user, where, based on the knowledge available to the reporting crypto-asset service provider at the time of transaction, the reporting crypto-asset service provider cannot determine that the transaction is an exchange transaction;

(*d*) "fiat currency" means the official currency of a country or territory, issued by such country or territory, or by the designated Central Bank or monetary authority of such country or territory, as represented by physical banknotes or coins or by money in different digital forms, including bank reserves and Central Bank Digital Currencies, including commercial bank money and electronic money products (including specified electronic money products);

(*13*) "reporting crypto-asset service provider" means any individual or entity that, as a business, provides a service for effecting exchange transactions for or on behalf of customers, including by acting as a counterparty, or as an intermediary, to such exchange transactions, or by making available a trading platform;

(*14*) for the purposes of clause (*13*), —

(*i*) a service effecting exchange transactions includes any service through which the customer can receive relevant crypto-assets for fiat currencies, or *vice versa*, or exchange relevant crypto-assets for other relevant crypto-assets;

(*ii*) the phrase "as a business" excludes individuals or entities who carry out a service on infrequent basis for non-commercial reasons and in determining "as a business", reference can be made to the relevant rules of each country or territory;

(*iii*) "as a counterparty" or "as an intermediary" includes—

(*A*) dealers acting for their own account to buy and sell relevant crypto- assets to customers;

(*B*) operators of crypto-asset Automated Teller Machines, permitting the exchange of relevant crypto-assets for fiat currencies or other relevant crypto-assets through such Automated Teller Machines;

(*C*) crypto-asset exchanges that act as market makers and take a bid-ask spread as a transaction commission for their services;

(*D*) brokers in relevant crypto-assets, where they act on behalf of clients to complete orders to buy or sell an interest in relevant crypto-assets; and

(*E*) individuals or entities subscribing one or more relevant crypto-assets;

(*iv*) "trading platform" includes any software program or application that allows users to effect (either partially or in their entirety) exchange transactions;

(*15*) "reportable user" means a crypto-asset user that is a reportable person;

(*16*) for the purposes of clause (*15*),—

(*a*) "crypto-asset user" means—

(*i*) an individual or entity that is a customer of a reporting crypto-asset service provider for the purposes of carrying out relevant transactions;

(*ii*) where an individual or entity (other than a financial institution or a reporting crypto-asset service provider), acts as a crypto-asset user for the benefit or account of another individual or entity as agent, custodian, nominee, signatory, investment advisor, or intermediary, such other individual or entity, so however that the first mentioned individual or entity shall not be treated as a crypto-asset user;

(*iii*) where a reporting crypto-asset service provider provides a service for effecting reportable retail payment transactions for or on behalf of a merchant, the customer that is the counterparty to the merchant for such reportable retail payment transaction;

(*b*) for the purposes of item (*iii*) of sub-clause (*a*), the reporting crypto-asset service provider is required to verify the identity of such customer by virtue of the reportable retail payment transaction pursuant to Prevention of Money Laundering Act, 2002 (15 of 2003);

(*c*) "individual crypto-asset user" means a crypto-asset user that is an individual;

(*d*) "pre-existing individual crypto-asset user" means an individual crypto-asset user that has established a relationship with the reporting crypto-asset service provider as of the 31st December, 2025;

(*e*) "entity crypto-asset user" means a crypto-asset user that is an entity;

(*f*) "pre-existing entity crypto-asset user" means an entity crypto-asset user that has established a relationship with the reporting crypto-asset service provider as of the 31st December, 2025;

(*g*) "reportable person" means—

(*i*) an entity or an individual that is resident in a country or territory outside India under the tax laws of such country or territory; or

(*ii*) an estate of a decedent that was a resident of a country or territory outside India

other than excluded person;

(*h*) for the purposes of sub-clause (*g*), an entity such as a partnership, limited liability partnership or similar legal arrangement that has no residence for tax purposes shall be treated as resident in the jurisdiction in which its place of effective management is situated;

(*i*) "controlling persons" means—

(*A*) the natural persons who exercise control over an entity;

(*B*) in the case of a trust, the settlor(s), the trustee(s), the protector(s)(if any), the beneficiary(ies) or class(es) of beneficiaries, and any other natural person(s) exercising ultimate effective control over the trust;

(*C*) in the case of a legal arrangement other than a trust, persons in equivalent or similar positions,

and the expression "controlling persons" shall be interpreted in a manner consistent with the 2012 Financial Action Task Force Recommendations, as updated in June 2019 pertaining to virtual asset service providers and as further updated from time to time;

(*j*) for the purposes of sub-clause (*i*)(*B*), the settlor(s), the trustee(s), the protector(s) (if any), the beneficiary(ies) or class(es) of beneficiaries, shall always be treated as controlling persons of a trust, regardless of whether or not any of them exercises control over the trust;

(*k*) for the purposes of sub-clause (*i*)(*C*), reporting crypto-asset service providers shall identify controlling persons through similar customer due diligence procedures as those required for trusts, with a view to achieving appropriate levels of reporting;

(*l*) "active entity" means any entity that meets any of the following criteria:—

(*i*) less than 50% of the gross income of the entity for the preceding calendar year (or for the preceding non-calendar accounting period) is passive income and less than 50% of the assets held by the entity during the preceding calendar year (or the preceding non-calendar accounting period) are assets that produce or are held for the production of passive income; or

(*ii*) substantially all of the activities of the entity consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a financial institution, except that an entity does not qualify for this status if the entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes; or

(*iii*) the entity is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a financial institution, provided that the entity does not qualify for this exception after twenty-four months from the date of the initial organisation of the entity; or

(*iv*) the entity was not a financial institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a financial institution; or

(*v*) the entity primarily engages in financing and hedging transactions with, or for, related entities that are not financial institutions, and does not provide financing or hedging services to any entity that is not a related entity, provided that the group of such related entities is primarily engaged in a business other than that of a financial institution; or

(*vi*) the entity meets all of the following requirements:—

(*A*) it is established and operated in the country or territory (outside India) of its residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes, or it is established and operated in the country or territory (outside India) of its residence and it is a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league or an organisation operated exclusively for the promotion of social welfare;

(*B*) it is exempt from income tax in the country or territory (outside India) of its residence;

(*C*) it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;

(*D*) the applicable laws of the country or territory (outside India) of its residence or the formation documents of the entity do not permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the charitable activities of the entity, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the entity has purchased; and

(*E*) the applicable laws of the country or territory (outside India) of its residence or the formation documents of the entity require that, upon the liquidation or dissolution of the entity, all of its assets be distributed to a Governmental entity or other non-profit organisation, or escheat to the Government of the country or territory (outside India) of its residence or any political sub-division thereof;

(*m*) for the purposes of item (*i*) of sub-clause (*l*), "passive income" includes the portion of gross income that consists of:—

(*i*) dividends; or

(*ii*) interest; or

(*iii*) income equivalent to interest or dividends; or

(*iv*) rents and royalties, other than rents and royalties derived in the active conduct of a business conducted, at least in part, by employees of the entity; or

(*v*) annuities; or

(*vi*) income derived from relevant crypto-assets; or

(*vii*) the excess of gains over losses from the sale or exchange of relevant crypto-assets or financial assets; or

(*viii*) the excess of gains over losses from transactions (including futures, forwards, options, and similar transactions) in any relevant crypto-assets or financial assets; or

(*ix*) the excess of foreign currency gains over foreign currency losses; or

(*x*) net income from swaps; or

(*xi*) amounts received under cash value insurance contracts; and

(*n*) for the purposes of sub-clause (*l*)(*ii*), "substantially all" means 80% or more;

(*17*) "telegraphic transfer buying rate", in relation to a fiat currency (other than Indian Rupee), means the rate or rates of exchange adopted by the State Bank of India constituted under the State Bank of India Act, 1955 (23 of 1955), for buying such currency, having regard to the guidelines specified from time to time by the Reserve Bank of India for buying such currency, where such currency is made available to that bank through a telegraphic transfer; and

(*18*) "TIN" means Taxpayer Identification Number (or functional equivalent in the absence of a Taxpayer Identification Number) assigned to the crypto-asset user in the country or territory in which he is a resident for tax purposes.

Obligation for reporting transaction of crypto-asset under section 509.

242. (1) A reporting crypto-asset service provider is subject to the reporting requirements under rule 243 and due diligence requirements under rule 244, if it is—

(*a*) an entity or individual resident for tax purposes in India; or
(*b*) an entity that is incorporated or organised under the laws of India; or
(*c*) an entity that either has legal personality in India or has an obligation to file return of income under section 263; or
(*d*) an entity managed from India; or
(*e*) an entity or individual that has a regular place of business in India.

(2) A reporting crypto-asset service provider shall be subject to the reporting requirements under rule 243 and due diligence requirements under rule 244 with respect to relevant transactions effected through a branch based in India.

(3) A reporting crypto-asset service provider is not required to complete the reporting requirements under rule 243 and due diligence requirements under rule 244 in India,—

(*a*) where it is an entity,—
  (*i*) pursuant to sub-rule (1)(*b*) to (*e*), if such requirements are completed by such reporting crypto-asset service provider in a partner jurisdiction by virtue of it being resident for tax purposes in such partner jurisdiction;
  (*ii*) pursuant to sub-rule (1)(*d*) and (*e*), if such requirements are completed by such reporting crypto-asset service provider in a partner jurisdiction by virtue of it being—
    (*A*) an entity that is incorporated or organised under the laws of such partner jurisdiction; or
    (*B*) an entity that either has legal personality in the partner jurisdiction or has an obligation to file tax returns or tax information returns to the tax authorities in partner jurisdiction with respect to the income of such entity; or
  (*iii*) pursuant to sub-rule (1)(*e*), if such requirements are completed by such reporting crypto-asset service provider in a partner jurisdiction by virtue of it being managed from such partner jurisdiction; or
(*b*) where it is an individual, pursuant to sub-rule (1)(*e*), if such requirements are completed by such reporting crypto-asset service provider in a partner jurisdiction by virtue of it being resident for tax purposes in such partner jurisdiction; or
(*c*) pursuant to clause (*a*) or clause (*b*) or clause (*c*) or clause (*d*) or clause (*e*) of sub-rule (1), if it has lodged a notification with India in a format specified by India confirming that such requirements are completed by such reporting crypto-asset service provider under the rules of a partner jurisdiction pursuant a substantially similar nexus that it is subject to in India; or
(*d*) with respect to relevant transactions that are effected through a branch in a partner jurisdiction, if such requirements are completed by such branch in such partner jurisdiction.

Reporting requirements for transaction of crypto-asset under section 509.

243. (1) For each relevant calendar year starting on or after the 1st January, 2026 and subject to the obligations of the reporting crypto-asset service provider under [1][rule 242] and due diligence procedures under [1][rule 244], the following information shall be maintained and reported by the reporting crypto-asset service providers in respect of crypto-asset users that are reportable users, or that have controlling persons that are reportable persons:—

(*a*) the name, address, country(s) or territory(s) of residence, TIN(s) and date and place of birth (in the case of an individual) of each reportable user;

(*b*) in the case of a reportable user that is identified as having more than one country or territory of residence, the country or territory of residence and TIN to be reported are of all such country(s) or territory(s) of residence and all TIN(s) identified by the reporting crypto-asset service provider;

(*c*) in case any entity is identified as having one or more controlling persons that is a reportable person, after application of the due diligence procedures, the name, address, country(s) or territory(s) of residence and TIN(s) of the entity and the name, address, country(s) or territory(s) of residence, TIN(s) and the date and place of birth of each reportable person, as well as, the role(s) by virtue of which each reportable person is a controlling person of the entity;

(*d*) the name, address and Permanent Account Number of the reporting crypto-asset service provider;

(*e*) for each type of relevant crypto-asset with respect to which it has effected relevant transactions during the relevant calendar year,—

- (*i*) the full name of the type of relevant crypto-asset;
- (*ii*) the aggregate gross amount paid, the aggregate number of units and the number of relevant transactions in respect of acquisitions against fiat currency;
- (*iii*) the aggregate gross amount received, the aggregate number of units and the number of relevant transactions in respect of disposals against fiat currency;
- (*iv*) the aggregate fair market value, the aggregate number of units and the number of relevant transactions in respect of acquisitions against other relevant crypto-assets;
- (*v*) the aggregate fair market value, the aggregate number of units and the number of relevant transactions in respect of disposals against other relevant crypto-assets;
- (*vi*) the aggregate fair market value, the aggregate number of units and the number of reportable retail payment transactions;
- (*vii*) the aggregate fair market value, the aggregate number of units and the number of relevant transactions, and sub-divided by the transfer type known by the reporting crypto-asset service provider, in respect of transfers to the reportable user not covered by sub-clauses (*ii*) and (*iv*);
- (*viii*) the aggregate fair market value, the aggregate number of units and the number of relevant transactions, and sub-divided by the transfer type known by the reporting crypto-asset service provider, in respect of transfers by the reportable user not covered by sub-clauses (*iii*), (*v*) and (*vi*);
- (*ix*) the aggregate fair market value, as well as the aggregate number of units in respect of transfers by the reportable crypto-asset user effectuated by the reporting crypto-asset service provider to wallet addresses not known by the reporting crypto-asset service provider to be associated with a virtual asset service provider or financial institution.

(2) (*a*) Irrespective of anything contained in clauses (*a*) and (*b*) of sub-rule (1), the TIN is not required to be reported, if —

(*i*) a TIN is not issued by the country or territory outside India in which reportable user is resident for tax purposes; or

(*ii*) the domestic law of the country or territory outside India does not require the collection of the TIN issued by such country or territory in which reportable user is resident for tax purposes; and

(*b*) for the purposes of clause (*a*), a TIN is considered not to be issued by a country or territory outside India —

(*A*) where such country or territory does not issue a TIN nor a functional equivalent in the absence of TIN; or

(*B*) where such country or territory has not issued a TIN to a particular individual or entity.

(3) Irrespective of anything contained in clauses (*a*) to (*c*) of sub-rule (1), the place of birth is not required to be reported unless the reporting crypto-asset service provider is otherwise required to obtain and report it under domestic law.

(4) The information reported must identify the fiat currency in which each amount is reported.

(5) The statement of relevant transactions required to be furnished under sub-section (1) of section 509, shall be furnished by a reporting crypto-asset service provider in respect of each crypto-asset user or controlling person which has been identified, as a reportable user or reportable person, as the case may be.

(6) Where, pursuant to the due diligence procedure specified in rule 244, no crypto-asset user or controlling person is identified as a reportable user or reportable person, a *nil* statement shall be furnished by the reporting crypto-asset service provider.

(7) The statement referred to in sub-rules (5) and (6) shall be furnished in Form No. 167 by the 31st of May of the calendar year following the year to which the information relates.

(8) (*a*) For the purposes of sub-clauses (*ii*) and (*iii*) of sub-rule (1)(*e*),—

(*i*) the reporting crypto-asset service providers shall report the amount paid or received by the reportable user net of transaction fees;

(*ii*) the amounts paid or received shall be reported in Indian Rupee;

(*iii*) where amounts were paid or received in fiat currencies (other than Indian Rupee),-

- (*A*) they shall be reported in Indian Rupee, converted at the time of each relevant transaction; and
- (*B*) the rate of conversion for calculation of value of such fiat currency in Indian Rupee shall be the telegraphic transfer buying rate of such fiat currency as on date on which relevant transaction takes place;

(*iv*) the reporting crypto-asset service provider shall aggregate, that is, sum up, all transactions attributable to each reporting category for each type of relevant crypto-asset;

(*v*) an acquisition or disposal is any transaction effected by the reporting crypto-asset service provider where the reportable user obtains or alienates a relevant crypto-asset, irrespective of whether such asset is obtained or delivered from or to a third-party seller, or from or to the reporting crypto-asset service provider itself; and

(*vi*) where a reportable user acquires or disposes of a relevant crypto-asset against fiat currency, and the reporting crypto-asset service provider does not have actual knowledge of the underlying fiat currency consideration, such transactions shall be reported upon as transfers sent to or by a reportable user under sub-clauses (*vii*) and (*viii*) of sub-rule (1)(*e*), respectively.

(*b*) For the purposes of sub-clauses (*iv*) and (*v*) of sub-rule (1)(*e*),—

(*i*) the reporting crypto-asset service providers shall report the fair market value of the relevant crypto-asset acquired or disposed, net of transaction fees;

(*ii*) the fair market value shall be determined and reported in Indian Rupee, valued at the time of each relevant transaction;

(*iii*) for the purposes of sub-clause (*ii*),—

(*A*) a reporting crypto-asset service provider shall rely on applicable crypto-asset to Indian Rupee trading pairs, that it maintains to determine the fair market value of both relevant crypto-assets; or

(*B*) where a difficult-to-value relevant crypto-asset is exchanged for a relevant crypto-asset that can be readily valued, the valuation in Indian Rupee of the relevant crypto-asset against which the difficult-to-value relevant crypto-asset is exchanged shall be relied upon to establish Indian Rupee value for the difficult-to-value relevant crypto-asset;

(*iv*) the reporting crypto-asset service provider shall aggregate, that is, sum up, all transactions attributable to each reporting category;

(*v*) all crypto-asset-to-crypto-asset transactions conducted by the same reporting crypto-asset service provider are subject to reporting under both said sub-clauses;

(*vi*) where a reportable user effects a crypto-asset-to-crypto-asset transaction, although the reporting crypto-asset service provider does not have actual knowledge of the relevant crypto-asset acquired or disposed, such transactions shall be reported upon as transfers sent to or by a reportable user under sub-clauses (*vii*) and (*viii*) of sub-rule (1)(*e*), respectively.

(*c*) For the purposes of sub-clause (*vi*) of sub-rule (1)(*e*), —

(*i*) the customer of the merchant for, or on behalf of, whom the reporting crypto-asset service provider is providing a service effecting reportable retail payment transactions shall be treated as the crypto-asset user (subject to the conditions specified in the definition of crypto-asset user), and therefore, as the reportable user, in addition to the merchant;

(*ii*) the aggregate information with respect to reportable retail payment transactions by the customer of the merchant shall not be included in the aggregate information reported with respect to transfers under sub-clause (*viii*) of sub-rule (1)(*e*); and

(*iii*) the aggregate information with respect to transfers that do not constitute reportable retail payment transactions solely by virtue of not meeting the *de minimis* threshold, shall be included in the aggregate information reported with respect to transfers under sub-clauses (*vii*) and (*viii*) of sub-rule (1)(*e*), respectively.

(*d*) For the purposes of sub-clause (*ix*) of sub-rule (1)(*e*),—

(*i*) the reporting crypto-asset service provider shall not be required to report the aggregate number of units or the aggregate fair market value of transfers, under this sub-clause, in case the reporting crypto-asset service provider knows that the wallet address to which the relevant crypto-asset is transferred is associated with a virtual asset service provider or financial institution, as defined in the Financial Action Task Force Recommendations;

(*ii*) a reporting crypto-asset service provider shall be required to collect and retain within its records, for a period not less than seven years, any external wallet addresses (including other equivalent identifiers) associated with transfers of relevant crypto-assets; and

(*iii*) the reporting of wallet addresses associated with transfer of relevant crypto-assets shall not be required.

(*e*) For the purposes of sub-clauses (*vi*), (*vii*), (*viii*) and (*ix*) of sub-rule (1)(*e*),—

(*i*) the fair market value shall be determined and reported in Indian Rupee, using the valuation method as specified in sub-clause (*ii*);

(*ii*) in performing the valuation, the reporting crypto-asset service provider shall use as a reference, the values of relevant crypto-asset and Indian Rupee trading pairs it maintains to determine the fair market value of the relevant crypto-asset at the time it is transferred;

(*iii*) where the reporting crypto-asset service provider effecting the transfer does not maintain an applicable reference value of the relevant crypto-asset and Indian Rupee trading pairs, the following valuation methods shall be relied upon:—

(*A*) firstly, the internal accounting book values maintained by the reporting crypto-asset service provider with respect to the relevant crypto-asset shall be used;

(*B*) if a book value is not available, a value provided by third-party companies or websites that aggregate current prices of relevant crypto-assets shall be used, if the valuation method used by that third party is reasonably expected to provide a reliable indicator of value;

(*C*) if neither of the methods specified in item (*A*) and (*B*) is available, the most recent valuation of the relevant crypto-asset by the reporting crypto-asset service provider shall be used; and

(*D*) if a value can still not be attributed, a reasonable estimate may be applied as a measure of last resort;

(*iv*) with respect to each relevant crypto-asset for which the Reporting crypto-asset service provider has relied on an alternative valuation method outlined in sub-clause (*iii*), the method shall be indicated in Form No. 167;

(*v*) the information reported shall also identify the fiat currency in which each amount is reported; and

(*vi*) the reporting crypto-asset service provider shall aggregate, that is, sum up, all transactions attributable to each reporting category for each type of relevant crypto-asset.

(9) The statement referred to in this rule shall be furnished to the Director of Income-tax (Intelligence and Criminal Investigation) or the Joint Director of Income-tax (Intelligence and Criminal Investigation) through online transmission of electronic data, to a server designated for this purpose under the digital signature, in accordance with the data structure specified in this regard by the Director General of Income-tax (Systems).

(10) For the purposes of sub-rule (9), "digital signature" means a digital signature issued by any Certifying Authority authorised to issue such certificates by the Controller of Certifying Authorities.

(11) (*a*) Every reporting crypto asset service provider shall communicate to the Director General of Income-tax (Systems), the name, designation and communication details of the designated director and the principal officer and obtain a number for enabling furnishing of statement referred to in sub-rules (5) and (6).

(*b*) The statement referred to in this rule shall be signed, verified and furnished by the designated director of the reporting crypto-asset service provider on the basis of information available with the reporting crypto-asset service provider, but, where the reporting crypto-asset service provider is a non-resident, such statement may be signed, verified and furnished by a person who holds a valid power of attorney from such designated director.

(12) For the purposes of sub-rule (11),—

(*a*) "designated director" means a person designated by the reporting crypto-asset service provider to ensure overall compliance with the obligations imposed under section 509 and the rules made thereunder and includes—

(*i*) the Managing Director or a whole-time Director, as defined in the Companies Act, 2013 (18 of 2013), duly authorised by the Board of Directors if the reporting crypto-asset service provider is a company; or

(*ii*) the managing partner, if the reporting crypto-asset service provider is a partnership firm; or

(*iii*) the proprietor, if the reporting crypto-asset service provider is a proprietorship concern; or

(*iv*) the managing trustee, if the reporting crypto-asset service provider is a trust; or

(*v*) a person or individual, as the case may be, who controls and manages the affairs of the reporting crypto-asset service provider, if the reporting crypto-asset service provider is an association of persons or a body of individuals, or any other person; and

(*b*) "principal officer" means an officer designated by the reporting crypto-asset service provider.

1. As corrected by Corrigendum G.S.R. 286(E) [No. 64/2026/F. No. 370142/41/2025-TPL], dated 16-4-2026, w.e.f. **16-4-2026**.

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INCOME TAX DEPARTMENT

Due diligence procedures under section 509.

244. (1) A crypto-asset user is treated as a reportable user beginning as of the date it is identified as such, pursuant to the due diligence procedures specified in this rule.

(2) The following procedures shall apply for the purposes of determining whether the individual crypto-asset user is a reportable user:-

(*a*) when establishing the relationship with the individual crypto-asset user, or with respect to pre-existing individual crypto-asset users within twelve months on and from the 1st January, 2026, the reporting crypto-asset service provider shall—
  (*i*) obtain a self-certification that allows the reporting crypto-asset service provider to determine the residence(s) of individual crypto-asset users for tax purposes; and
  (*ii*) confirm the reasonableness of such self-certification based on the information obtained by the reporting crypto-asset service provider, including any documentation collected pursuant to Anti Money Laundering or Know Your Customer Procedures;

(*b*) if at any point there is a change of circumstances with respect to an individual crypto-asset user that causes the reporting crypto-asset service provider to know, or have reason to know, that the original self-certification is incorrect or unreliable, then the reporting crypto-asset service provider—
  (*i*) shall not rely on the original self-certification;
  (*ii*) shall obtain a valid self-certification, or a reasonable explanation; and
  (*iii*) the documentation supporting the validity of the original self-certification, as may be appropriate.

(3) For the purposes of determining whether—

(*a*) the entity crypto-asset user is a reportable user; or
(*b*) an entity, other than an excluded person or an active entity, with one or more controlling persons who are the reportable persons,

the following procedures shall apply:—

(*i*) when establishing the relationship with the entity crypto-asset user, or with respect to pre-existing entity crypto-assets users within twelve months on and from the 1st January, 2025, the reporting crypto-asset service provider shall—
  (*A*) obtain a self-certification that allows the reporting crypto-asset service provider to determine the residence(s) of the entity crypto-asset user for tax purposes; and
  (*B*) confirm the reasonableness of such self-certification based on the information obtained by the reporting crypto-asset service provider, including any documentation collected pursuant to Anti Money Laundering or Know Your Customer Procedures;

(*ii*) if the entity crypto-asset user certifies that it has no residence for tax purposes, the reporting crypto-asset service provider shall rely on the place of effective management or on the address of the principal office to determine the residence of the entity crypto-asset user; and

(*iii*) if the self-certification indicates that the entity crypto-asset user is resident in a country or territory outside India, the reporting crypto-asset service provider shall treat the entity crypto-asset user as a reportable user, unless it reasonably determines based on the self-certification or on information in its possession or that is publicly available, that the entity crypto-asset user is an excluded person.

(4) With respect to an entity crypto-asset user, other than an excluded person, the reporting crypto-asset service provider shall determine whether it has one or more controlling persons who are reportable persons, unless it determines that the entity crypto-asset user is an active entity, based on a self-certification from the entity crypto-asset user.

(5) For the purposes of determining the controlling persons of the entity crypto-asset user,—

(*a*) a reporting crypto-asset service provider may rely on the information collected and maintained pursuant to Anti Money Laundering or Know Your Customer Procedures, provided that such procedures are consistent with the 2012 Financial Action Task Force Recommendations, as updated in June, 2019 pertaining to virtual asset service providers and as further updated from time to time; and

(*b*) where the reporting crypto-asset service provider is not legally required to apply the Anti Money Laundering or Know Your Customer Procedures, that are consistent with the 2012 Financial Action Task Force Recommendations, as updated in June, 2019 pertaining to virtual asset service providers, it shall apply substantially similar procedures for the purposes of determining the controlling persons.

(6) For the purposes of determining whether a controlling person is a reportable person, a reporting crypto-asset service provider shall rely on a self-certification from the entity crypto-asset user or such controlling person that allows the reporting crypto-asset service provider to determine the residence(s) of the controlling person for tax purposes and confirm the reasonableness of such self-certification based on the information obtained by the reporting crypto-asset service provider, including any documentation collected pursuant to the Anti Money Laundering or Know Your Customer Procedures.

(7) If at any point, there is a change of circumstances with respect to an entity crypto-asset user or its controlling persons that causes the reporting crypto-asset service provider to know, or have reason to know, that the original self-certification is incorrect or unreliable, then the reporting crypto-asset service provider—

(*a*) shall not rely on the original self-certification;
(*b*) shall obtain a valid self-certification, or a reasonable explanation; and
(*c*) the documentation supporting the validity of the original self-certification, as may be appropriate.

(8) A self-certification provided by an individual crypto-asset user or controlling person is valid only if it is signed or otherwise positively affirmed by the individual crypto-asset user or controlling person, it is dated at the latest at the date of receipt and it contains the following information with respect to the individual crypto-asset user or controlling person:

(*a*) first and last name;
(*b*) residence address;
(*c*) country(s) or territory(s) of residence for tax purposes;
(*d*) with respect to each reportable person, the TIN with respect to each country or territory outside India in which it is a resident for tax purposes; and
(*e*) date of birth.

(9) A self-certification provided by an entity crypto-asset user is valid only if it is signed or otherwise positively affirmed by the crypto-asset user, it is dated at the latest at the date of receipt and it contains the following information with respect to the entity crypto-asset user:—

(*a*) legal name;
(*b*) address;

(*c*) country(s) or territory(s) of residence for tax purposes;

(*d*) with respect to each reportable person, the TIN with respect to each country or territory outside India in which it is a resident for tax purposes;

(*e*) in case of an entity crypto-asset user other than an active entity or an excluded person, the information specified in sub-rule (8) with respect to each controlling person of the entity crypto-asset user, unless such controlling person has provided a self-certification pursuant to the said sub-rule, as well as the role(s) by virtue of which each reportable person is a controlling person of the entity, if not already determined on the basis of the Anti Money Laundering or Know Your Customer Procedures; and

(*f*) if applicable, the information as to the criteria it meets to be treated as an active entity or excluded person.

(10) Irrespective of anything contained in sub-rules (8) and (9), the TIN is not required to be collected—

(*a*) if the country or territory of residence of the reportable person does not issue a TIN to the reportable person; or

(*b*) the domestic law of the relevant country or territory outside India does not require the collection of the TIN issued by such country or territory.

(11) A reporting crypto-asset service provider may rely on a third party to fulfil the due diligence obligations set out in this rule, but such obligations remain the responsibility of the reporting crypto-asset service provider.

(12) A reporting crypto-asset service provider shall maintain all documentation and data for a period of not less than seven tax years after the end of the period within which the reporting crypto-asset service provider shall report the information required to be reported pursuant to rule 243.

(13) (*a*) For the purposes of sub-rule (2),—

(*i*) where an individual is resident for tax purposes in two or more countries or territories outside India, all such country(s) or territory(s) of residence are to be declared in a self-certification and the reporting crypto-asset service provider shall treat the individual crypto-asset user as a reportable user in respect of each such country or territory outside India;

(*ii*) a reporting crypto-asset service provider is considered to have confirmed the "reasonableness" of a self-certification if, in the course of establishing a relationship with an individual crypto-asset user and upon review of the information obtained in connection with the establishment of the relationship (including any documentation collected pursuant to the Anti Money Laundering or Know Your Customer Procedures), it does not know or have reason to know that the self-certification is incorrect or unreliable;

(*iii*) where the self-certification fails the reasonableness test referred to in sub-clause (*ii*), the reporting crypto-asset service provider shall obtain either a valid self-certification, or a reasonable explanation and documentation (as appropriate) supporting the reasonableness of the self-certification, and retain a copy or a notation of such explanation and documentation before providing services effectuating relevant transactions to the individual crypto-asset user;

(*iv*) for the purposes of sub-rule (2)(*b*), a reporting crypto-asset service provider is said to have reason to know that a self-certification is unreliable or incorrect, if its knowledge of relevant facts or statements contained in the self-certification or other documentation is such that a reasonably prudent person in the position of the reporting crypto-asset service provider would question the claim being made;

(*v*) a reporting crypto-asset service provider also has reason to know that a self-certification is unreliable or incorrect, if there is information in the documentation or in the files of the reporting crypto-asset service provider that conflicts with the claim of the person regarding its status;

(*vi*) a reporting crypto-asset service provider has reason to know that a self-certification provided by a person is unreliable or incorrect, if the self-certification is incomplete with respect to any item on the self-certification that is relevant to the claims made by the person, the self-certification contains any information that is inconsistent with the claim of the person, or the reporting crypto-asset service provider has other information that is inconsistent with the claim of the person;

(*vii*) a reporting crypto-asset service provider that relies on a service provider to review and maintain a self-certification is considered to know or have reason to know the facts within the knowledge of the service provider;

(*viii*) a reporting crypto-asset service provider may not rely on documentation provided by a person, if the documentation does not reasonably establish the identity of the person presenting the documentation;

(*ix*) a reporting crypto-asset service provider may not rely on documentation, if the documentation contains information that is inconsistent with the claim of the person as to its status, the reporting crypto-asset service provider has other information that is inconsistent with the status of the person, or the documentation lacks information necessary to establish the status of the person;

(*x*) the expression "change of circumstances" includes any change that results in the addition of information relevant to the status of an individual crypto-asset user or otherwise conflicts with the status of such user, or any change or addition of information to any profile associated with such individual crypto-asset user, if such change or addition of information affects the status of the individual crypto-asset user;

(*xi*) a change of circumstances affecting the self-certification provided to the reporting crypto-asset service provider will terminate the validity of the self-certification with respect to the information that is no longer reliable, until the information is updated;

(*xii*) where a change of circumstances occurs, the reporting crypto-asset service provider shall not rely on the original self-certification and shall obtain either—

(*A*) a valid self-certification that establishes the residence(s) for tax purposes of the individual crypto-asset user; or

(*B*) a reasonable explanation and documentation supporting the validity of the original self-certification (and retain a copy or a notation of such explanation and documentation);

(*xiii*) a self-certification shall become invalid on the date the reporting crypto-asset service provider holding the self-certification knows or has reason to know that the circumstances affecting the correctness of the self-certification have changed;

(*xiv*) a reporting crypto-asset service provider may choose to treat a person as having the same status that it had prior to the change in circumstances until the earlier of ninety calendar days from the date that the self-certification became invalid due to the change in circumstances, the date that the validity of the self-certification is confirmed, or the date that a new self-certification is obtained;

(*xv*) where a reporting crypto-asset service provider cannot obtain a confirmation of the validity of the original self-certification or a valid self-certification during such ninety-day period, the reporting crypto-asset service provider shall treat the individual crypto-asset user as resident of the country(s) or territory(s) in which the individual crypto-asset user claimed to be resident in the original self-certification and the country(s) or territory(s) in which the individual crypto-asset user may be resident as a result of the change in circumstances;

(*xvi*) a reporting crypto-asset service provider may rely on a self-certification without having to inquire into possible changes of circumstances that may affect the validity of the statement, unless it knows or has reason to know that the circumstances have changed;

(*xvii*) a reporting crypto-asset service provider may retain an original, certified copy, or photocopy (including a microfiche, electronic scan or similar means of electronic storage) or electronic copy of the self-certification;

(*xviii*) a reporting crypto-asset service provider may treat a self-certification as valid, irrespective of whether the self-certification contains an inconsequential error, if the reporting crypto-asset service provider has sufficient documentation on file to supplement the information missing from the self-certification due to the error and the documentation relied upon to cure the inconsequential error shall be conclusive.

(*b*) For the purposes of sub-rule (3),—

(*i*) "publicly available" information includes information published by an authorised government body of a country or territory, such as

(*A*) information in a list published by a tax administration; or

(*B*) information in a publicly accessible register maintained or authorised by an authorised government body of such country or territory; or

(*C*) information disclosed on an established securities market;

(*ii*) if an entity is subject to tax as a resident in more than one country or territory outside India, all country(s) or territory(s) of residence are to be declared in a self-certification and the reporting crypto-asset service provider shall treat the entity crypto-asset user as a reportable user in respect of each such country or territory outside India;

(*iii*) reporting crypto-asset service provider is considered to have confirmed the "reasonableness" of a self-certification if, in the course of establishing a relationship with the entity crypto-asset user and upon review of the information obtained in connection with the establishment of the relationship (including any documentation collected pursuant to the Anti Money Laundering or Know Your Customer Procedures), it does not know or have reason to know that the self-certification is incorrect or unreliable;

(*iv*) in case a self-certification fails the reasonableness test, the reporting crypto-asset service provider shall obtain either—

(*A*) a valid self-certification; or

(*B*) a reasonable explanation and documentation supporting the reasonableness of the self-certification before providing services effecting relevant transactions to the entity crypto-asset user.

(*c*) For the purposes of sub-rules (8) and (9), a self-certification may be signed (or otherwise positively affirmed) by any person authorised to sign on behalf of the individual crypto-asset user or controlling person under domestic law.

(*d*) For the purposes of sub-rule (11), the following situations apply in which reporting crypto-asset service provider shall rely on documentation of a third party to fulfil its due diligence obligations:—

(*i*) with respect to documentation collected by third party service providers, agents or where a reporting crypto-asset service provider relies on documentation of an acquired business; and

(*ii*) with respect to the situation, where a reporting crypto-asset service provider relies on other reporting crypto-asset service providers that handle the same relevant transaction.

(14) For the purposes of rules 241, 242, 243 and this rule, exchange of any information in respect of any transaction in relevant crypto-asset shall be only for the limited purposes of administration of taxes by the relevant jurisdiction.

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INCOME TAX DEPARTMENT

Annual Information Statement.

245. (1) The Director General of Income-tax (Systems) or any person authorised by him shall, under section 510, upload in the registered account of the assessee, an annual information system Form No. 168 containing the following information, which is in his possession within ninety days from the end of the month in which the information is received by him:

(*a*) information relating to tax deducted or collected at source;
(*b*) information relating to specified financial transaction;
(*c*) information relating to payment of taxes;
(*d*) information relating to demand and refund;
(*e*) information relating to pending proceedings;
(*f*) information relating to completed proceedings; and
(*g*) any other information authorised under sub-rule (2).

(2) The Board may also authorise the Director General of Income-tax (Systems) or any person authorised by him to upload any information received from any officer, authority or body performing any function under any law in force or the information received under an agreement referred to in section 159 or the information received from any other person to the extent as it may deem fit in the interest of the revenue in the annual information statement referred to in sub-rule (1).

Application for registration as valuer under section 514.

246. (1) An application for registration as a valuer under section 514(2) shall be made in Form No. 169 and shall be verified in the manner specified therein and shall be accompanied by a non-refundable fee of Rs. 10000.

(2) Where an application for registration as a valuer is pending before the authorities mentioned in section 514(2), immediately before the 1st April, 2026, such application shall be considered as if it has been filed under sub-rule (1) and no further payment of fee shall be required in such a case.

(3) In case any person has become ineligible for making an application for registration as a valuer in view of the qualifications specified in the provisions of rule 247, the fee already paid by the applicant shall be refunded on an application made by him to the authorities mentioned in section 514(2).

(4) Where a person is already registered as a valuer under Wealth-tax Act, 1957 (27 of 1957) holding a valid certificate of registration as on the 31st March, 2026, he will continue to be a registered valuer under section 514, but that he is required to update his details by filing application as referred in sub-rule (1) by the 30th September, 2026, and in such a case, upon filing such application the registration shall be granted by the concerned authority in section 514, if the application is complete in all respects.

(5) For the purposes of sub-rule (4), the application may not be accompanied with any fee.

(6) Where a person is registered as a valuer under section 514, he shall be required to qualify in an examination within a period, as may be specified in this behalf by the Central Government, by notification.

(7) Where a person fails to qualify the examination as per sub-rule (6), within the specified period, the registration under section 514 shall stand cancelled with effect from the end of such specified period.

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INCOME TAX DEPARTMENT

Qualification of registered valuer for the purposes of section 514.

247. (1) For the purposes of section 514(2), the qualifications for registration as valuers, for different classes of assets shall be as specified in sub-rules (2) to (9).

(2) The qualifications for registration as valuers, for classes of assets mentioned in column B of the following Table shall be as specified in column C of the said Table:

TABLE

<table>
<tr><th>S. No.</th><th>Class of Asset</th><th>Qualification</th></tr>
<tr><td>A</td><td>B</td><td>C</td></tr>
<tr><td>1.</td><td>Immovable property (other than agricultural lands, plantations, forests, mines and quarries)</td><td>The applicant shall—
<table>
<tr><td>(a)</td><td>(i) be a graduate in civil engineering, architecture or town planning from a recognised University; or</td></tr>
<tr><td></td><td>(ii) be a post-graduate in valuation of real estate from a recognised University; or</td></tr>
<tr><td></td><td>(iii) possess a qualification recognised by the Central Government for recruitment to superior services or posts under the Central Government in the field of civil engineering, architecture or town planning; and</td></tr>
<tr><td>(b)</td><td>(i) be a person formerly employed—
<table>
<tr><td>(A)</td><td>in a post under Government as a Gazetted officer; or</td></tr>
<tr><td>(B)</td><td>in a post under any other employer carrying a remuneration of not less than Rs. 50000 per month,</td></tr>
</table></td></tr>
<tr><td></td><td>and, in either case, shall have retired or resigned from such employment after having rendered service for not less than ten years (or three years, if he possesses a post-graduate degree in valuation of real estate from a recognised University) as a valuer, architect or town planner, or in the field of construction of buildings, designing of structures, or development of land; or</td></tr>
<tr><td></td><td>(ii) as a professor, reader or lecturer in a university, college or any other institution preparing students for a degree in civil engineering, architecture or town planning, or for any qualification referred to in clause (a), and must have retired or resigned from such employment after having taught for not less than ten years (or three years, if he possesses a post-graduate degree in valuation of real estate from a recognised University) any of the subjects of valuation, quantity surveying, building construction, architecture, or town planning;</td></tr>
</table>
OR
The applicant shall have been in practice as a consulting engineer, valuer of real estate, surveyor or architect for a period of not less than ten years (or three years, if he possesses a post-graduate degree in valuation of real estate from a recognised University) and must have acquired experience in any of the following fields:
<table>
<tr><td>(a)</td><td>valuation of buildings and urban lands; or</td></tr>
<tr><td>(b)</td><td>quantity surveying in building construction; or</td></tr>
<tr><td>(c)</td><td>architectural or structural designing of buildings or town planning; or</td></tr>
<tr><td>(d)</td><td>construction of buildings or development of land;</td></tr>
</table>
and his gross receipts from such practice shall not be less than Rs. 100000 in any three of the five preceding years (or in any two of the three preceding years, if he possesses a post-graduate degree in valuation of real estate from a recognised University), immediately preceding the year in which the application for registration as a valuer is made by him.</td></tr>
<tr><td>2</td><td>Agricultural lands (other than plantations mentioned at serial number 3)</td><td>The applicant shall be a—
<table>
<tr><td>(a)</td><td>graduate in agricultural science of a recognised University and shall have worked as a farm valuer for a period of not less than five years; or</td></tr>
<tr><td>(b)</td><td>person formerly employed in a post under the Government as a Collector, Deputy Collector, Settlement Officer, Land Valuation Officer, Superintendent of Land Records, Agricultural Officer, Registrar under the Registration Act, 1908 (16 of 1908), or any other officer of equivalent rank performing similar functions and shall have to be retired or resigned from such employment after having rendered service in any one or more of said the posts for an aggregate period of not less than five years.</td></tr>
</table></td></tr>
<tr><td>3</td><td>Coffee plantation, tea plantation, rubber plantation or, cardamom plantation</td><td>The applicant shall—
<table>
<tr><td>(a)</td><td>have, for a period of not less than five years, owned, or acted as manager of a coffee, tea, rubber or, as the case may be, cardamom plantation having an area under plantation of not less than four hectares in the case of a cardamom plantation or forty hectares in the case of any other plantation; or</td></tr>
<tr><td>(b)</td><td>be a person formerly employed in a post under the Government as a Collector, Deputy Collector, Settlement Officer, Land Valuation Officer, Superintendent of Land Records, Agricultural Officer, Registrar under the Registration Act, 1908 (16 of 1908), or any other officer of equivalent rank performing similar functions and shall have retired or resigned from such employment after having rendered service in any one or more of the said posts for an aggregate period of not less than five years, out of which, not less than three years shall be in areas, wherein coffee, tea, rubber or, as the case may be, cardamom is extensively grown.</td></tr>
</table></td></tr>
<tr><td>4</td><td>Forest</td><td>The applicant shall be a person formerly employed in a post under the Government and shall have to be retired or resigned from such employment after having rendered service for not less than five years in a Gazetted post requiring specialised knowledge in forestry.</td></tr>
</table>

5	Mines and quarries	The applicant shall be a— (*a*) graduate in mining of a recognised university, or must possess a qualification recognised by the Central Government for recruitment to superior services or posts under the Central Government in the field of mining; and (*b*) person formerly employed in a — (*A*) post under Government as a Gazetted officer; or (*B*) post under any other employer carrying a remuneration of not less than Rs. 50000 per month, and, in either case, shall have to be retired or resigned from such employment after having rendered service as a mining engineer for not less than ten years.
6	Stocks, shares, debentures, securities, shares in partnership firms and of business assets, including goodwill but excluding those mentioned at serial numbers 1 to 5 and 7 to 10	The applicant shall— (*a*) be a member of the Institute of Chartered Accountants of India, or the Institute of Cost Accountants of India, or the Institute of Company Secretaries of India; or (*b*) possess a Master of Business Administration or Post Graduate Diploma in Business Management with specialisation in Finance; or (*c*) be a post graduate in Finance; and (*i*) have been in practice in a discipline, which is relevant for valuation of stocks, shares, debentures, securities, shares in partnership firms and of business assets, including goodwill, etc., for a period of not less than ten years and his gross receipts from such practice should not be less than Rs. 100000 in any three of the five preceding years, immediately preceding the year in which the application for registration as a valuer is made by him; or (*ii*) be a person formerly employed— (*A*) in a post under Government as a Gazetted officer, or (*B*) in a post under any other employer carrying a remuneration of not less than Rs. 50000 per month, and, in either case, shall have to be retired or resigned from such employment after having rendered service for a period of not less than ten years in the field of audit and accounts or taxation work, or (*d*) in a discipline which is relevant for valuation of stocks, shares, debentures, securities, shares in partnership firms and of business assets, including goodwill, etc., carrying a remuneration of not less than Rs. 100000 per month and must have retired or resigned from such employment after having rendered service for a period of not less than ten years.
7	Machinery and plant	The applicant shall— (*a*) (*i*) be a graduate or post-graduate in Mechanical, Electrical, Electronic and Communication, Electronic and Instrumentation, Production, Chemical, Textiles, Leather, Metallurgy, Aeronautical Engineering, or Valuation of Plant and Machinery from a recognised University; or (*ii*) possess a qualification recognised by the Central Government for recruitment to superior services or posts under the Central Government in the field of mechanical or electrical engineering; (*b*) be a person formerly employed— (*i*) in a post under Government as a Gazetted officer; or (*ii*) in a post under any other employer carrying a remuneration of not less than Rs. 50000 per month, and, in either case, shall have to be retired or resigned from such employment after having rendered service as a mechanical or electrical or electronic and communication or electronic and instrumentation or production or chemical or textiles or leather or metallurgy or aeronautical engineer or valuer of machinery and plant for a period of not less than ten years (or three years, if he possesses a post-graduate degree in valuation of machinery and plant from a recognised University); or (*iii*) as a professor, reader or lecturer in a University, college or institution preparing students for a degree in mechanical or electrical or electronic and communication or electronic and instrumentation or production or chemical or textiles or leather or metallurgy or aeronautical engineering or for any qualification referred to in clause (*a*), and shall have to be retired or resigned from such employment after having taught for a period of not less than ten years (or three years, if he possesses a post-graduate degree in valuation of machinery and plant from a recognised University); OR The applicant shall have been in practice as a consulting engineer or valuer of machinery and plant for a period of not less than ten years and must have acquired experience in the valuation of machinery and plant and his gross receipts from such practice shall not be less than Rs. 100000 in any three of the five preceding years (or in any two of the three preceding years, if he possesses a post-graduate degree in valuation of machinery and plant from a recognised University), immediately preceding the year in which the application for registration as a valuer is made by him.
8	Jewellery	The applicant shall have been, for a period of not less than five years, a sole proprietor or partner in a partnership firm carrying on jewellery business which has on an average an annual turnover of not less than fifty lakhs rupees or profit, including fees for valuation, of not less than Rs. 500000 in the last three of the five preceding years, immediately preceding the year in which the application for registration as a valuer is made by him.

9	Works of art	The applicant shall have— (*a*) specialisation by virtue of his academic and professional pursuits in the particular line of art, for the works of which he seeks to be registered as a valuer; and (*b*) served in any one or more of the following capacities:— (*i*) Director General or Superintending Archaeologist of the Archaeological Survey of India; or (*ii*) Director of National Museum, New Delhi, Salar Jung Museum, Hyderabad, Prince of Wales Museum, Bombay, Indian Museum, Calcutta, Asutosh Museum, Calcutta, Madras Museum, Madras or Bharat Kala Bhavan, Varanasi; or (*iii*) principal of a Government School of Art; or (*iv*) member of the Art Purchase Committee of any of the museums referred to in sub-clause (*ii*), or of the Lalit Kala Akademi.
10	Life interest, reversions and interest in expectancy	The applicant shall— (*a*) be a graduate of a recognised University; and (*b*) have— (*i*) been in practice as an actuary under the Insurance Act, 1938 (4 of 1938), for a period of not less than ten years; or (*ii*) rendered continuous service for a period of not less than ten years as an actuary under Government or in the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956); or (*iii*) practised as an actuary or served as such under Government or in the Life Insurance Corporation of India referred to in sub-clause (*ii*) for an aggregate period of not less than ten years.

(3) The qualifications for a valuer for assets, other than the assets covered in sub-rule (2), shall be determined by the Principal Chief Commissioner or Chief Commissioner, or the Principal Director General or Director General, to whom application for getting registered as a valuer has been submitted and the decision of Principal Chief Commissioner or Chief Commissioner, or the Principal Director General or Director General in this regard shall be conclusive.

(4) No person shall qualify for registration as a valuer, other than as a valuer of works of art or virtual digital assets or other class of assets as may be specified by the Board in this behalf, if he is employed under Government or any other employer.

(5) Irrespective of anything contained in sub-rules (1) to (4), no person shall qualify for registration as a valuer if,—

(*a*) he has been dismissed or removed from Government service; or

(*b*) he has been convicted of an offence connected with any proceeding under the Income-tax Act, 1961 (43 of 1961) (as it existed prior to its repeal), or the Wealth-tax Act, 1957 (27 of 1957), or the Gift-tax Act, 1958 (18 of 1958) (as it existed prior to its repeal), or a penalty has been imposed on him under section 271(1)(*iii*) or section 273(*i*) or section 270A or section 271J of the Income-tax Act, 1961 (43 of 1961) (as it existed prior to its repeal), or under section 439 or section 463 of the Act, or under section 18(1)(*iii*) of the Wealth-tax Act, 1957 (27 of 1957) or section 17(1) of the Gift-tax Act, 1958 (18 of 1958) (as it existed prior to its repeal); or

(*c*) he is an undischarged insolvent; or

(*d*) he has been convicted of any offence and sentenced to a term of imprisonment; or

(*e*) he has been found guilty of misconduct in his professional capacity, where he is a member of any association or institution established in India having as its object the control, supervision, regulation or encouragement of the profession of engineering, architecture, accountancy, or company secretaries or such other profession as the Board may specify in this behalf, by notification, by such association or institution; or

(*f*) he is a minor; or

(*g*) he has been declared to be of unsound mind; or

(*h*) he has not been found fit to be registered as a valuer, which shall be decided based on reasons to be recorded in writing, after granting an opportunity of being heard to the person or entity concerned; or

(*i*) he is an undischarged bankrupt or has applied to be adjudicated as bankrupt.

(6) The requirement laid down in any of the foregoing sub-rules that the applicant should have, for a period of not less than ten years or five years, as the case may be,—

(*a*) rendered service in any capacity; or

(*b*) taught any subject; or

(*c*) practised any profession; or

(*d*) gained experience in any other capacity or field,

as specified therein, shall be deemed to have been fulfilled, if the period for which the applicant has rendered such service, taught such subject, practised such profession or otherwise gained experience in such other capacity or field, taken either singly or collectively, is not less than ten years or five years, as the case may be, in the foregoing sub-rules.

(7) For the purposes of this rule, the expressions "recognised University" means any of the following universities or institutions:—

(*a*) any University in India established by law in force; or

(*b*) any educational institution recognised by the University Grants Commission (UGC), by notification; or

(*c*) any foreign university or educational institution, the degree of which is recognised as equivalent to a degree conferred by an Indian University, as determined by the Association of Indian Universities (AIU).

(8) For the purposes of this rule, where the membership of any institution is recognised by the Central Government as a qualification for the purpose of recruitment to civil services or posts under the Central Government in any field, such membership shall not be regarded as a requisite qualification for the purposes of this rule, unless the membership has been granted on the basis of passing the examinations conducted by the institution.

(9) The application referred to in rule 246(1) may be disposed of by the Principal Chief Commissioner or Chief Commissioner, or the Principal Director General or Director General either by granting approval or rejecting the same, within six months from the end of the month in which such application is made

(10) The Principal Chief Commissioner or Chief Commissioner, or the Principal Director General or Director General may call for any relevant information from the person who has applied for getting registered as a valuer under section 514, before disposing his application referred to in rule 246(1).

Charging of fee and submission of valuation report under section 514.

248. (1) Subject to the provisions of sub-rules (2) and (3), the fees to be charged by a registered valuer for valuation of any asset shall not exceed the amount calculated at the following rates:—

(*a*)	on the first Rs. 500000 of the asset as valued	1/2% of the value;
(*b*)	on the next ten lakhs rupees of the asset as valued	1/5% of the value;
(*c*)	on the next forty lakhs rupees of the asset as valued	1/10% of the value; and
(*d*)	on the balance of the asset as valued	1/20% of the value.

(2) Where two or more assets are required to be valued by a registered valuer at the instance of an assessee, all such assets shall be deemed to constitute a single asset for the purposes of calculating the fees payable to such registered valuer.

(3) Where the amount of fees calculated in accordance with sub-rules (1) and (2) is less than Rs. 5000, the registered valuer may charge Rs. 5000 as his fees.

(4) The report of valuation by a registered valuer in respect of any asset under section 514(3), shall be in the Form No. 170.

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Removal from register of names of valuers and restoration.

249. (1) The Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax may remove the name of any person from the register of valuers where he is satisfied, after giving that person a reasonable opportunity of being heard and after such further inquiry, if any, as he thinks fit to make, —

(*a*) that his name has been entered in the register by error or on account of misrepresentation or suppression of a material fact;
(*b*) that he has been convicted of any offence and sentenced to a term of imprisonment or has been guilty of any malpractice or misconduct in his professional capacity which, in the opinion of the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax, renders him unfit to be kept in the register.

(2) The Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax may, on application and on sufficient cause being shown, restore to the register the name of any person removed therefrom.

(3) Without prejudice to the provisions of sub-rules (1) and (2), the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax shall, once in five years review the performance of all the registered valuers and may remove the name of any person from the Register of Valuers where he is satisfied, after giving that person a reasonable opportunity of being heard and after such further inquiry, if any, as he thinks fit to make, that his performance is such that his name should not remain on the Register of Valuers.

(4) The Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax may himself conduct the inquiry referred to in sub-rule (1) or (3) or appoint an Inquiry Officer not below the rank of Joint Commissioner of Income-tax to conduct such inquiry, and for the purposes of such inquiry, the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax and the Inquiry Officer so appointed shall have the same powers as are vested in a court under the Bharatiya Nyaya Sanhita, 2023 (45 of 2023), when trying a suit in respect of the following matters, namely:—

(*a*) discovery and inspection;
(*b*) enforcing the attendance of any person including any officer of a banking company and examining him on oath;
(*c*) compelling the production of books of account and other documents;
(*d*) issuing commission.

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Definitions for the purposes of rules 251 to 268.

250. For the purposes of rules 251 to 268,—

(*a*) "adjudicating authority" shall have the same meaning as assigned to it in clause (*1*) of section 5 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016);

(*b*) "authorised income-tax practitioner" means any authorised representative as defined in section 515(3)(*a*)(*v*) or (*vi*);

(*c*) "prescribed authority" for the purpose of section 515(5)(*b*) shall be the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Commissioner of Income-tax or Commissioner of Income-tax having jurisdiction over the case in the proceedings connected with which the income-tax practitioner is alleged to be guilty of misconduct;

(*d*) "register" means the register of income-tax practitioners referred to in rule 255; and

(*e*) "specified authority" shall be the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Commissioner of Income-tax or Commissioner of Income-tax, as the case may be.

Accountancy examinations recognised.

251. The following accountancy examinations are recognised for the purposes of section 515(3)(*a*)(*v*):—

(*1*) the National Diploma in Commerce, awarded by the All-India Council for Technical Education under the Ministry of Education, New Delhi, provided the diploma-holder has taken Advanced Accountancy and Auditing as an elective subject for the Diploma Examination;

(*2*) Government Diploma in Company Secretaryship, awarded by the Department of Company Affairs, under the Ministry of Corporate Affairs, New Delhi;

(*3*) final examination of the Institute of Company Secretaries of India, New Delhi;

(*4*) the final examination of The Institute of Cost Accountants of India constituted under the Cost and Works Accountants Act, 1959 (23 of 1959);

(*5*) the departmental examinations conducted by or on behalf of the Central Board of Direct Taxes for Assessing Officers, Class I or Group 'A', Probationers, or for Assessing Officers, Class II or Group 'B', Probationers, or for promotion to the post of Assessing Officers, Class II or Group 'B', as the case may be; and

(6) the Revenue Audit Examination for Section Officers conducted by the Office of the Comptroller and Auditor General of India.

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